GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1500
ANSWERED ON:13.03.2002
FORMULA FOR GRANT AND LOAN
T.M. SELVAGANAPATHI

Will the Minister of PLANNING be pleased to state:

(a) Whether it is a fact that Planning Commission has favoured 50:50 formula for grant andloan with regard to States` demand for higher grants;

(b) if so, the details thereof ; and

(c) the steps taken in this regard?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINISTRY O PERSONNEL, PUBLIC GRIEVANCES & PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER O STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) to (c) The Plan assistance for the Special Category States and Non-Special Category States is released in the Grant : Loan ratio of 90:10 and 30:70 respectively. A change in the existing ratio has implications on Centre`s revenue and capital receipts and thereby the Plan assistance to the States. Hence, any decision in thechange in the existing Grant : Loan ratio would be based on overall resource position of the Centre and decision of the National Development Council (NDC) in this regard.